

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
October 19, 2020

The regular meeting of the Board of Commissioners was called to order by President Dan Fagerlie at 9:00 a.m. Present in person were Commissioners Dan Fagerlie, Doug Aubertin and Chris Kroupa, Manager Steve VanSlyke, Superintendent Mike Brown, Auditor Sue Nush, and Treasurer Pam Allen.

All stood for the Flag Salute which was led by Commissioner Aubertin.

The minutes of the September meeting were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin, and unanimously carried.

Visitors: None

Public Comments: Commissioner Fagerlie attended the Ferry County Cattleman's meeting. He was asked when the solar incentive payments would be out. He was unable to give them a date. He was asked by a Curlew group about the District raising its rates. He explained to them that the rates that were increasing were only for a new line extension, which is the cost of installing power to a new location.

Reports:

The Superintendent's Report was presented by Mike Brown:

1. Superintendent Brown shared information with the Board on a cable plow the District is considering buying or leasing. A discussion followed on the wear and tear such a machine receives, and the possibility of purchasing a used cable plow or leasing one. They are difficult to find as many utilities are moving to underground cable instead of overhead lines. Superintendent Brown will continue to research the matter.
2. The crew continues to install new line extensions. There have been more than usual this year, and there are still ten pending.
3. The power outage on Saturday night was caused by a tree on one of BPA's lines. Commissioner Fagerlie commented that he believes BPA is doing a better job thinning trees. He has a meeting scheduled in November with BPA and the Forest Service to discuss keeping the right of way clear over Sherman Pass.
4. Superintendent Brown informed the Board that the District's apprentice tree trimmer went into Spokane to take his journeyman's test. He does not know the results yet. The tree crew is staying busy and is getting to the point where they can get beyond just dealing with danger trees and can systematically work on service areas. The staking department has prepared some maps for them to use. Commissioner Kroupa commented that the tree crew is paying off, as they work twelve months a year unlike the contractors the District used.

Nespelem Valley Electric Co-op sent the District a letter that was very complimentary of the fine work done by the crew sent to help them repair fire damage.

The Manager's Report was presented by Steve VanSlyke:

1. Manager VanSlyke informed the Board that the Keller AMI system is almost complete. He will be installing additional antennas to help some marginal meters, but the gateways are working. The meter usage data will be checked for a few months before switching everything over. Commissioner Kroupa asked whether funds would be budgeted next year to install AMI meters in additional parts of the service area. Manager VanSlyke said that AMI meters will be installed on all new services and used to replace existing meters, when needed. The meter budget has been increased to cover this. One or two new gateways will also be installed next year. Further planning will be done after the results from the Keller AMI Project are thoroughly reviewed.
2. A permit was received from the Forest Service for a trail the District would like to build in the Ten Mile area to improve access to distribution lines.
3. Candidates on the ballot for the Executive Committee of the Public Power Council were discussed and ranked. Commissioner Kroupa then made a motion to accept the rankings as discussed and to express his support for utility commissioners being allowed on the PPC Executive Committee. Commissioner Aubertin seconded the motion and it passed unanimously.

A recess was called at 9:55 a.m. for twenty minutes. The meeting resumed at 10:15 a.m. Attorney Steve Graham joined the meeting at this time.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 10:16 a.m. for ten minutes for the purpose of discussing potential litigation. The Board returned to regular session at 10:26 a.m.

The Attorney's Report was presented by Steve Graham.

1. Attorney Graham updated the Board on the status of Frontier's bankruptcy. They have a reorganization plan that will need to be approved by various state regulatory agencies. At this time there is nothing to do but wait, and he will continue to monitor the situation.

The Treasurer's Report was presented by Pam Allen:

1. The regular Treasurer's reports were mailed to the Board for review prior to the meeting. Operating Funds available as of October 10, 2020 were \$3,511,696.34 with restricted funds of \$2,926,465.93. There were 20 outages in the month of September, for a year-to-date total of 97 compared to 119 for the same period in 2019. The Large Power Summary, Revolving Loan and Line Extension Loan reports were also included in the mailed packet.
2. The status of delinquent accounts was discussed. Governor Inslee has extended his proclamation prohibiting disconnect of electrical service for non-payment through December 31, 2020. His proclamation does make clear that it does not relieve customers from their obligation to pay their bill.

Attorney Graham exited the meeting at 10:54 a.m.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was mailed to the Board for review prior to the meeting.
2. Warrants number 19320 through 19415, Direct Payroll Deposits 905339 through 905377, and Electronic Fund Transfers number 720 through 725, in the total amount of \$552,559.69 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin, and unanimously carried.
3. Cost and usage graphs were included in the packet mailed to the Board for their review.

The commissioners presented information from meetings they attended since the last Board Meeting.

The Board recessed for lunch at 11:53 a.m. until 1:00 p.m. The meeting resumed at 1:00 p.m. Attorney Graham rejoined the meeting at this time.

Auditor Nush led the scheduled 2021 Budget Hearing. She discussed with the Board how she arrived at figures in the proposed budget. No substantial changes are expected from 2020. Some numbers still need to be firmed up. Commissioner Kroupa inquired if a rate increase will be needed. Auditor Nush does not think so but will not be able to say until the budget is finalized. No vote was taken on the Budget at this time.

With no other business before the Board, the meeting adjourned at 1:16 p.m.

BOARD OF COMMISSIONERS

Public Utility District Number One
Ferry County, Washington

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager